

2014 -- S 2498

LC004843

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

A N A C T

RELATING TO TAXATION - LOCAL TAXES

Introduced By: Senators Lynch, and McCaffrey

Date Introduced: February 27, 2014

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-12.1 of the General Laws in Chapter 44-5 entitled "Levy and  
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 **44-5-12.1. Assessment of tangible personal property.** -- (a) All tangible personal  
4 property subject to taxation shall be assessed for taxation based on the original purchase price  
5 (new or used) including all costs such as freight and installation. Assets will be classified and  
6 depreciated as defined in this section. (b) The following classification and depreciation table  
7 shall be used in determining the assessed value of tangible personal property.

8 State of Rhode Island Property Tangible Property Classification

9		Class I	Class II	Class III
10	Class of Assets	Short Life	Mid-Life	Long Life
11	Age	1-5 yrs	6-12	13+ yrs
12	1	95	95	95
13	2	80	90	90
14	3	60	80	85
15	4	30	70	80
16	5	20	60	75
17	6	20	50	70
18	7	20	40	65
19	8	20	30	60

1	9	20	30	55
2	10	20	30	50
3	11	20	30	45
4	12	20	30	40
5	13	20	30	35
6	14	20	30	30
7	15+	20	30	30

8 Assets Shall Not be Trended

9 (c) Assets shall be classified on an annual basis by the Rhode Island Association of  
10 Assessing Officers' Personal Property Committee based on the following table:

11	INDUSTRY GROUP IN YEARS	CLASS
12	<del>Aerospace industry</del>	II
13	Agriculture machinery and equipment	II
14	<del>cotton ginning</del>	II
15	Aircraft and all helicopters	II
16	Amusement and theme parks	II
17	<del>Apparel and fabricated textile manufacturing</del>	II
18	Automobile repair shops	II
19	Bakeries and confectionery production	II
20	Barber and beauty shops	II
21	Billboards	II III
22	Brewery equipment ( <u>if not used directly in manufacturing</u> )	II
23	<del>Cable television, headend facilities</del>	II
24	<del>microwave systems</del>	II
25	<del>program origination</del>	II
26	<del>service and test</del>	II
27	<del>subscriber connection and distribution</del>	II
28	<u>Cable television: All equipment including set top boxes,</u>	
29	<u>remotes, and other related equipment</u>	II
30	<u>Aerial, underground, and drops (Including MDUS)</u>	III
31	Canneries and frozen food production	II
32	Cement <del>manufacture</del> <u>processing</u>	III
33	Chemical and allied production	II
34	Clay products <del>manufacturing</del>	III

1	<del>Clocks and watches, manufacturing</del>	II
2	<del>electronic instrumentation</del>	I
3	Cold storage and ice-making equipment	III
4	Cold storage warehouse equipment	II
5	Computers, personal computers (PC), <a href="#">laptops, tablets, cell phones,</a>	
6	<a href="#">mainframe/servers, peripherals, keyboard, mouse, etc.</a>	I
7	<del>Mainframe</del>	I/II
8	<del>peripherals</del>	I
9	Condiments, <del>manufacturing</del> and processing	II
10	Construction equipment, general construction	II
11	<a href="#">Backhoes, forklifts, loaders, cranes, unregistered vehicles etc.</a>	II
12	Dairy products <del>manufacturing</del> <a href="#">processing</a>	II
13	Data handling equipment, except computers	II
14	<a href="#">Ex. Printers, copiers, bridges, routers, and gateways</a>	II
15	Distilling	II
16	Electrical equipment <a href="#">not used in</a> manufacturing	II
17	<del>Electronic companies, steam production</del>	III
18	<del>other production, combined cycle</del>	III
19	<del>gas turbines</del>	III
20	<del>nuclear production</del>	III
21	<del>transmission</del>	III
22	<del>distribution</del>	III
23	Electronic equipment <del>manufacturing</del>	I
24	Fabricated metal products <a href="#">special tools</a>	II
25	<del>special tools</del>	I
26	Fishing equipment, excluding boats, <del>and</del> barges <a href="#">lines and nets, etc</a>	I
27	Food and beverage production	II
28	<del>special handling devices</del>	I
29	Fur processing	II
30	Gas distribution, total distribution equipment	III
31	<del>Optional—for equipment by category:</del>	
32	<del>mains and services, plastic</del>	III
33	<del>mains and services, steel</del>	III
34	<del>meters, regulators, installations</del>	III

1	<del>other distribution equipment</del>	<del>III</del>
2	Glass and glass products, <a href="#">special tools</a>	II
3	<del>special tools</del>	<del>I</del>
4	Grain and grain mill products <del>manufacture</del> <a href="#">processing</a>	III
5	Gypsum products	III
6	Hand tools	<del>I</del> <a href="#">II</a>
7	Hospital furnishings and equipment	II
8	Hotel and motel furnishings and equipment	II
9	Jewelry products and pens	II
10	Knitwear and knit products, <a href="#">ex. work uniforms</a>	I
11	Laundry equipment	II
12	Leather and leather products	II
13	Logging, timber cutting	I/II
14	<del>Machinery manufacturing, except, as otherwise listed</del>	<del>II</del>
15	Marine construction	II
16	Meatpacking	II
17	Medical and dental supply production	II
18	Metalworking machinery manufacturing	II
19	Mining and quarrying	II
20	Motion picture and television production	II
21	Motor vehicle and parts <del>manufacturing</del> <a href="#">special tools</a>	II
22	<del>special tools</del>	<del>I</del>
23	Office furniture and equipment	II
24	Optical lenses and instrument <del>manufacturing</del> <a href="#">processing</a>	II
25	Paints and varnishes	I
26	<del>Paper and pulp manufacturing</del>	<del>II</del>
27	<del>converted paper, paperboard and pump</del>	<del>II</del>
28	<del>Petroleum and natural gas, drilling, onshore</del>	<del>II</del>
29	<del>drilling, offshore</del>	<del>II</del>
30	<del>exploration and production</del>	<del>II</del>
31	petroleum refining	III
32	pipeline transportation	III
33	Plastics manufacturing	I/II
34	Plastic products <del>manufacturing</del> <a href="#">processing/special tools</a>	II

1	<del>special tools</del>	<del>I</del>
2	Primary metals production, nonferrous and foundry products	III
3	special tools	I
4	Primary steel mill products	III
5	Printing and publishing	II
6	Professional and scientific instruments	II
7	Radio and television, broadcasting	<del>I/II</del>
8	Railroad transportation equipment <del>manufacturing</del>	II
9	locomotive <del>manufacturing</del>	II
10	Recreation and amusement	II
11	Retail trades, fixtures and equipment	II
12	Residential furniture	II
13	Restaurant and bar equipment	II
14	Restaurant equipment, fast foods	II
15	Rubber products <del>manufacturing</del> <a href="#">processing/special tools</a>	II
16	<del>special tools</del>	<del>I</del>
17	Sawmills, permanent, <a href="#">portable</a>	II
18	<del>portable</del>	<del>I</del>
19	Service establishments	II
20	Ship and boat building <del>machinery and</del> equipment/ <a href="#">special tools</a>	II
21	<del>special tools</del>	<del>I</del>
22	Soft drink <del>manufacture</del> and bottling	II
23	<del>Steam production and distribution</del>	<del>III</del>
24	Stone products <del>manufacturing</del> <a href="#">processing</a>	III
25	<del>Sugar and sugar products manufacturing</del>	<del>III</del>
26	Telecommunications, local <del>exchange</del> <a href="#">and Interstate</a>	<a href="#">II</a>
27	Analog/ <a href="#">digital</a> switching	<del>I/II</del>
28	<del>digital switching</del>	<del>I/II</del>
29	circuit, digital <a href="#">analog optic</a>	<del>I/II</del>
30	<del>circuit, analog</del>	<del>II</del>
31	<del>circuit, optic</del>	<del>I/II</del>
32	<del>other central office equipment</del>	<del>I/II</del>
33	information/origination equipment	I/II
34	smart phones	I

1	metallic cable	II
2	fiber cable <a href="#">poles, conduit</a>	III
3	<del>poles</del>	<del>III</del>
4	<del>conduit</del>	<del>III</del>
5	<del>Telecommunications, interstate interexchange</del>	
6	<del>analog switching</del>	<del>I/II</del>
7	<del>digital switching</del>	<del>I/II</del>
8	<del>metallic cable</del>	<del>II</del>
9	<del>fiber cable</del>	<del>III</del>
10	<del>poles</del>	<del>III</del>
11	<del>conduit</del>	<del>III</del>
12	all other equipment	I/II
13	Telecommunications, cellular	
14	analog/ <a href="#">digital</a> switching	<del>I/II</del>
15	<del>digital switching</del>	<del>I/II</del>
16	radio frequency channel and control	<del>I/II</del>
17	power equipment	II
18	antennae	II
19	towers	III
20	transmission equipment	I/II
21	cellular phones	I
22	Textile products, including finishing and dyeing	II
23	<del>manufacture of nonwoven fabrics</del>	<del>II</del>
24	<del>manufacture of</del> yarn, thread and woven fabrics	II
25	<del>manufacture of textured yarns</del>	<del>II</del>
26	Theater equipment	II
27	<del>Tobacco and tobacco products</del>	<del>III</del>
28	<del>Vegetable oil products</del>	<del>III</del>
29	<a href="#">Utilities/Power production</a>	<a href="#">III</a>
30	<a href="#">Generation, transmission, or distribution equipment</a>	<a href="#">III</a>
31	Waste reduction and resource recovery	II
32	Water transportation	III
33	vessels, barges and tugs	III
34	Water utilities	III

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|---|--|-----|
| 1 | Wharves, docks and piers   | III |
| 2 | Wholesale trade fixtures and equipment   | II  |
| 3 | Wood products and furniture manufacturing  | II  |
| 4 | <a href="#"><u>Any industry group or asset not listed above, will be classified as Class II.</u></a> |     |
| 5 | SECTION 2. This act shall take effect upon passage.  |     |

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TAXATION - LOCAL TAXES

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- 1           This act would make changes in the classification of taxable property for local taxation
- 2 purposes.
- 3           This act would take effect upon passage.

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